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SENATE MEMORIAL 34

48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007

INTRODUCED BY

Linda M. Lopez

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

A MEMORIAL

REQUESTING A STUDY OF UNCOMPENSATED, INDIGENT AND CHARITY CARE
IN NEW MEXICO TO CREATE A SINGLE DEFINITION FROM WHICH
POLICYMAKERS MAY REASONABLY MAKE POLICY DECISIONS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

WHEREAS, state policymakers appropriate funds and make
policy each year to address "uncompensated care", or hospital
care for which taxpayers must pay because it is not covered by
insurance; and

WHEREAS, New Mexico counties provided forty million seven
hundred thousand dollars (\$40,700,000) for indigent medical
services in fiscal year 2004; and

WHEREAS, various hospitals define "uncompensated care" in
various ways, including it as bad debt that will not be
collected, as reduction in revenue such as an underpayment from

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1 medicaid or medicare, discounts to private payers or other
2 voluntary or involuntary discounts and as charity care or
3 indigent care for purposes of accounting and for purposes of
4 reporting on the hospital's financial status; and

5 WHEREAS, uncompensated care is calculated on a hospital-
6 by-hospital basis and reported according to any definition a
7 hospital may elect to use; and

8 WHEREAS, uncompensated care has cost the nation
9 approximately twenty-six billion nine hundred million dollars
10 (\$26,900,000,000) in the twenty-five years ending in 2004; and

11 WHEREAS, no uniform, meaningful definition of
12 uncompensated care is used nationwide or within New Mexico; and

13 WHEREAS, the appropriation of an adequate sum for
14 uncompensated care is critical in a time, such as this one,
15 when uninsured patients often receive care in the state's
16 hospital emergency rooms and hospitals, in turn, request
17 appropriations to offset the cost of providing care to those
18 who cannot or will not pay;

19 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE STATE
20 OF NEW MEXICO that the New Mexico health policy commission be
21 requested to convene a task force; and

22 BE IT FURTHER RESOLVED that the task force comprise
23 fifteen members appointed by the executive branch,
24 including a diverse representation of large and small, rural
25 and urban hospitals from throughout the state as well as

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1 community leaders setting policy for indigent or uncompensated
2 care; and

3 BE IT FURTHER RESOLVED that a member of the house of
4 representatives and a member of the senate from the 2006
5 interim legislative health and human services committee be
6 appointed by the chair and vice chair of that committee to
7 serve as advisors to the task force and that the task force and
8 advisors present conclusions, including a working definition of
9 "uncompensated care", at the November 2007 meeting of the
10 legislative health and human services committee; and

11 BE IT FURTHER RESOLVED that copies of this memorial be
12 transmitted to the governor, the executive director of the New
13 Mexico health policy commission, the chair and vice chair of
14 the 2006 interim legislative health and human services
15 committee, the secretary of human services, the secretary of
16 health and each county indigent hospital and county health care
17 board.